

HOUSE RESEARCH

Bill Summary

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Authors: Torkelson

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Analyst: Deborah A. Dyson

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Overview

This is the omnibus capital investment bill. Article 1 of the bill provides for new capital project funding, almost entirely with state general obligation bond proceeds. Article 2 makes miscellaneous changes to provisions in law.

Section

Article 1: Appropriations

Overview

This article contains the appropriations, bond sale authorizations, and cancellations and bond sale authorization reductions.

- 1 Capital Improvement Appropriations.** States that the appropriations in this article are from the bond proceeds fund unless another fund is named. Includes generally applicable provisions governing spending of state general obligation bond proceeds. Provides that money appropriated in this article not be used for asset preservation if the work can be done in a reasonable time frame using the state energy improvement financing program in Minnesota Statutes, section 16A.322, or the guaranteed energy savings program in Minnesota Statutes, section 16C.144.

Section

- 2 University of Minnesota.**
- Subd. 2. Higher Education Asset Preservation and Replacement (HEAPR).**
 - Subd. 3. Chemical Sciences and Advanced Materials Science Building (Duluth campus).**
 - Subd. 4. University share.**
 - Subd. 5. Unspent appropriations.**
- 3 Minnesota State Colleges and Universities (MnSCU).**
- Subd. 2. Higher Education Asset Preservation and Replacement (HEAPR).**
 - Subd. 3. Minnesota State Community and Technical College.**
 - (a) Fergus Falls campus.
 - (b) Wadena campus.
 - Subd. 4. Northland Community and Technical College, East Grand Forks.**
 - Subd. 5. Riverland Community College, Albert Lea.**
 - Subd. 6. South Central College, North Mankato.**
 - Subd. 7. St. Cloud State University.**
 - Subd. 8. Debt Service.** Provides for MnSCU to pay one-third of the debt service on bonds issued by the state for the projects, other than HEAPR, in this section.
 - Subd. 9. Unspent appropriations.** Allows money appropriated in the section not needed to complete a project to be used for HEAPR on the same campus.
- 4 Education.**
- Subd. 2. Library construction grants.**
 - Subd. 3. Red Lake Independent School District No. 38, Facility Projects.**
- 5 Minnesota State Academies.**
- Subd. 2. Asset preservation.**
 - Subd. 3. Security corridor.** On the campus for the deaf.
- 6 Natural Resources.**
- Subd. 1. Total appropriation.** Section 86A.12 applies to any program appropriated money in the section unless a more specific program is in law.
 - Subd. 2. Natural resources asset preservation.**
 - Subd. 3. Flood hazard mitigation.** Includes Browns Valley and Ortonville.
 - Subd. 4. Dam renovation, repair, removal.** Lists the dams.
 - Subd. 5. Trail development.** For Glacial Lakes Trail and Cuyuna Country State Recreation Area.

Section

Subd. 6. Champlin Mill Pond.

Subd. 7. Unspent appropriations.

7 Pollution Control Agency.

Subd. 2. St. Louis River cleanup.

Subd. 3. Redwood-Cottonwood Rivers Joint Powers – Lake Redwood Reclamation.

8 Board of Water and Soil Resources.

Subd. 2. RIM reserve program.

Subd. 3. Local government roads wetland replacement program.

9 Rural Finance Authority.

10 Minnesota Zoological Garden.

Subd. 2. Asset preservation.

11 Administration.

Subd. 2. Centennial parking ramp. Requires elimination of the park on the top deck.

Subd. 3. Capital Asset Preservation and Replacement Account (CAPRA).

Subd. 4. Capitol complex monuments and memorials.

12 MN.IT.

13 Military Affairs. Asset preservation.

14 Public Safety. Camp Ripley training facility.

15 Transportation.

Subd. 2. Local bridge replacement and rehabilitation.

Subd. 3. Local road improvement fund.

Subd. 4. Rail grade separation. For Red Wing and Anoka County.

Subd. 5. Railroad warning devices.

Subd. 6. Minnesota Valley Regional Rail.

Subd. 7. U.S. Highway 12. Trunk highway bonding.

Subd. 8. Trunk highway 212, Chaska. Trunk highway bonding.

Subd. 9. Anoka County – I-35 Interchange. Trunk highway bonding.

Subd. 10. I-94/Brockton Lane interchange. Trunk highway bonding.

Subd. 11. Trunk highway bonds, debt service from trunk highway fund.

Subd. 12. Red Wing – Highway 61 reconstruction.

Subd. 13. Port development assistance.

Section

- 16 Metropolitan Council.**
- Subd. 2. Metro Orange Line BRT station.**
 - Subd. 3. Mall of America transit station.**
 - Subd. 4. Metropolitan cities inflow and infiltration grants.**
- 17 Human Services.**
- Subd. 2. Minnesota Security Hospital – St. Peter.**
 - Subd. 3. Child and Adolescent Behavioral Health Services. Willmar.**
 - Subd. 4. Anoka Metro Regional Treatment Center safety and security renovations.**
 - Subd. 5. Hennepin County – regional medical examiner’s facility design.**
- 18 Veterans Affairs. Asset preservation.**
- 19 Corrections.**
- Subd. 2. Asset preservation.**
 - Subd. 3. Minnesota Correctional Facility – St. Cloud.**
 - Subd. 4. Minnesota Correctional Facility – Moose Lake.**
 - Subd. 5. Unspent appropriations.**
- 20 Employment and Economic Development.**
- Subd. 2. Transportation economic development.**
 - Subd. 3. Greater Minnesota business development public infrastructure grants.**
 - Subd. 4. Innovative business development public infrastructure grants.**
 - Subd. 5. Duluth – steam plant.**
 - Subd. 6. Litchfield – phase 2 power generation.**
 - Subd. 7. Madelia.**
 - Subd. 8. St. James – public infrastructure.**
 - Subd. 9. St. Paul – Science Museum of Minnesota building preservation.**
- 21 Public Facilities Authority.**
- Subd. 2. State match for federal grants.**
 - Subd. 3. Water infrastructure funding program.**
 - Subd. 4. Point source implementation grants program.**
 - Subd. 5. Lewis and Clark Regional Water System. General fund grant.**
 - Subd. 6. East Grand Forks.**

Section

- 22 **Minnesota Historical Society.** Asset preservation.
- 23 **Bond sale expenses.**
- 24 **Bond sale authorization.**
- 25 **Cancellations; bond sale authorization reductions.**
- 26 **Bond sale schedule.**
- 27 **Effective date.** Day after enactment except as otherwise provided.

Article 2: Miscellaneous

- 1 **Information provided (grants to political subdivisions, review by MMB).** Requires a public entity requesting capital funding for a solid waste management project through the MMB review process to submit certification by the PCA that the public entity has filed a report analyzing private ownership and determined that public ownership is the best alternative. Also requires the public entity to send the report to each private solid waste management facility mentioned in the report.
- 2 **Authorization to issue appropriation bonds.** Along with section 3, makes technical, clarifying changes to the statute enacted in the 2015 special session that authorized state appropriation bonds for the Lewis and Clark Regional Water System. Does not authorize a new bond issue. Article 1, section 21, subdivision 5, appropriates \$11.5 million from the general fund for phase 3 of the project.
- 3 **Appropriation of proceeds.** Along with section 2, makes technical, clarifying changes to the statute enacted in the 2015 special session that authorized state appropriation bonds for the Lewis and Clark Regional Water System. Does not appropriate new money. Among the changes, specifies that the appropriation of the proceeds is to the Public Facilities Authority to make the grant to the Lewis and Clark Joint Powers Board.
- 4 **Minnesota Valley Trail.** Strikes language added in 2015 that requires the portion of the trail between the Bloomington Ferry Bridge and the Cedar Avenue Bridge to be paved.
- 5 **Upper bluff; lease term.** Amends the law governing the DNR's authority to lease property at the Upper Bluff of Fort Snelling State Park. Requires a lease of state bond financed property that is more than 50 years to be treated as a sale of the property and proceeds of the sale must be used to pay, redeem, or defease state GO bonds issued for the improvements to the buildings. After that, lease payments may be used to make capital improvements by the tenants, as currently provided in this section of statute.
- 6 **Application requirements (solid waste management).** Requires applicants for assistance to include analysis of using private solid waste management facilities and other information.
- 7 **Grant program established (BDPI).** Requires the commissioner of employment and economic development to adhere to criteria in law. Requires notice to the legislature if a grant is for less than half the project costs.

Section

- 8 Eligible projects (BDPI).** Allows an industrial park project even if no business has committed to locating in it.
- 9 Application (BDPI).** Modifies the criteria.
- 10 Maximum grant amount (BDPI).** Increases the maximum a city or county may receive for one or more projects in two years from \$1 million to \$2 million.
- 11 Bridge grant program.** Caps local bridge grants at \$5 million.
- 12 Water infrastructure funding program (PFA).** Changes the WIF program to cover drinking water as well as wastewater infrastructure. Increases the maximum grants amounts from \$4 million to \$5 million per project, and from \$15,000 to \$20,000 per existing connection. Establishes a funding formula for drinking water projects that is based on the affordability threshold used for the federal drinking water fund. Strikes obsolete language.
- 13 Point source elimination grants (PFA).** Increase the maximum grants from \$3 million to \$7 million and increases the share the grants cover from 50 percent to 80 percent of project costs.
- 14 Other uses of fund (drinking water revolving fund) (PFA).** Technical. Provides a cross-reference to section with criteria (section 6) and strikes criteria in this section.
- 15 Bonding authority (PFA).** Increases the PFA's authority to issue tax-exempt revenue bonds from \$1.5 billion to \$2 billion in outstanding debt.
- 16 Fergus Falls Regional Treatment Center.** Extends to December 31, 2018, the availability of the 2002 appropriation. The money was for infrastructure and site and building envelope and structural improvements for the purpose of stabilizing the building for sale.
- 17 Dam renovation and removal.** Exempts the 2010 appropriation for repair of the Lanesboro dam from any match requirement.
- 18 Dam repair, reconstruction, and removal.** Exempts the 2012 appropriation for repair of the Lanesboro dam from any match requirement.
- 19 Phillips Community Center.** Extends to Dec. 31, 2018, availability of the 2012 money for the swimming pool project.
- 20 Grant County trail grant.** Amends the 2014 appropriation so that the money can be used for predesign, design, or improvements, and is not required to be used for all of those purposes.
- 21 Inver Grove Heights – Heritage Village Park.** Splits the appropriation from 2014 between the city and the county, to match ownership of property involved.
- 22 West St. Paul – River to River Greenway.** Modifies the project description to allow for a grade-separated crossing (not specifically a bridge) and updates the name of the project.
- 23 Local road improvement fund grants.** Amends the 2015 appropriation for the Willmar Wye to allow the money to be used for a grade separation at CSAH 55 as an option.
- 24 Report on Glensheen.** Requires the University of Minnesota to report to the legislature by January 16, 2017, a plan for the future of Glensheen, in cooperation with the city of Duluth, the Minnesota Historical Society, and other interested parties.

Section

- 25** **Repealer.** Repeals an obsolete codified bond sale authorization for the cooperative secondary facilities grant program. The section was last used to authorize a bond sale for the program in 1989 (and all bonds authorized have been issued).
- 26** **Effective date.** Except as otherwise provided, effective the day after enactment.